

Social Security

How You
Earn Credits



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You earn Social Security credits when you work in a job in which you pay Social Security taxes. The credits are based on your earnings.

During your working years, your wages are posted to your Social Security record, and you receive earnings credits based on those wages. We use these credits to determine your eligibility for retirement benefits or for disability or survivors benefits if you should become disabled or die.

Each year the amount of earnings needed for a credit rises as average earnings levels rise. **In 2000, you receive one credit for each \$780 of earnings, up to the maximum of four credits per year.**

The credits you earn remain on your Social Security record even if you change jobs or have no earnings for a while.

Special Rules For Some Jobs

Special rules for earning Social Security coverage apply to certain types of work.

If you're self-employed, you earn Social Security credits the same way employees do (one credit for each \$780 in net earnings, but no more than four credits per year). However, special rules apply if you have net annual earnings of less than \$400. For more information, call us for a free copy of the factsheet, *If You're Self-Employed* (Publication No. 05-10022).

If you're in the military, you earn Social Security credits the same way civilian employees do. You also may receive additional earnings credits under certain conditions. For more information, call us for a free copy of the factsheet, *Military Service And Social Security* (Publication No. 05-10017).

Other kinds of work also have special rules about how you earn credits. Some of these jobs are—

- domestic work;
- farm work; or
- work for a church or church-controlled organization that has been exempted from payment of Social Security taxes.

Call us if you have a question about how you earn credits in your job.

How Many Credits Do You Need?

The number of credits you need to be eligible for benefits depends on your age and the type of benefit.

Retirement Benefits

Anyone born in 1929 or later needs 40 credits to be eligible for retirement benefits. People **born before 1929** need fewer credits.

See the table on the next page.

Year of Birth	Credits Needed
1929 or later	40
1928	39
1927	38
1926	37
1925	36
1924	35

If you work for a nonprofit organization covered by Social Security since 1984, a special provision applies that may allow you to receive retirement benefits with fewer credits. For more information, call us for a free copy of the factsheet, *If You Work For A Non-profit Organization* (Publication No. 05-10027).

Disability Benefits

How many credits you need for disability benefits depends on your age when you become disabled.

If you become disabled before age 24, you generally need six credits during the three-year period ending when your disability begins.

If you're 24 through 30, you generally need credits for half of the period between age 21 and the time you become disabled.

If you're disabled at age 31 or older, you need the number of credits shown in the following table. Also, you must have earned at least 20 of the credits in the 10 years immediately before you became disabled.

Disabled At Age	Credits Needed
31 through 42	20
44	22
46	24
48	26
50	28
52	30
54	32
56	34
58	36
60	38
62 or older	40

Survivors Benefits

The family of a deceased worker may be able to get survivors benefits, even though the deceased worker had fewer credits than are needed for retirement benefits.

If the deceased worker was born in **1929 or before**, one credit is needed for each year after 1950, up to the year of death, in order for family members to collect survivors benefits.

If the deceased worker was **born in 1930 or later**, one credit is needed for each year after age 21, up to the year of death.

Regardless of when the deceased worker was born, dependent children could get survivors benefits if the deceased worker had six credits in the three years before his or her death. Their benefits could continue until they reach age 18 (or age 19 if they are attending an elementary or secondary school full time).

A widow or widower caring for dependent children who are under age 16 or disabled also may be able to get benefits.

Medicare

The Social Security credits you earn also count toward eligibility for Medicare when you reach age 65. You may be eligible for Medicare at an earlier age if you are entitled to disability benefits for 24 months or more. Your dependents or survivors also may be eligible for Medicare at age 65 or if they are disabled.

People who need kidney dialysis or a kidney transplant for permanent kidney failure may be eligible for Medicare at any age.

Not Everyone Earns Credits

Not all employees work in jobs covered by Social Security. Some of these employees are—

- most federal employees hired before 1984 (but since January 1, 1983, all federal employees have paid the Medicare hospital insurance part of the Social Security tax);
- railroad employees with more than 10 years of service;
- employees of some state and local governments that chose not to participate in Social Security; or
- children under age 21 who work for a parent (except a child age 18 or over who works in the parent's business).

For More Information

You can get recorded information about Social Security coverage 24 hours a day, including weekends and holidays, by calling our toll--free number, **1-800-772-1213**. You can speak to a service representative between the hours of 7 a.m. and 7 p.m. on business days. Our lines are busiest early in the week and early in the month, so, if your business can wait, it's best to call at other times. Whenever you call, have your Social Security number handy.

People who are deaf or hard of hearing may call our toll-free TTY number, 1-800-325-0778, between 7 a.m. and 7 p.m. on business days.

You also can reach us on the Internet. Type www.ssa.gov to access Social Security information.

We treat all calls confidentially—whether they're made to our toll-free numbers or to one of our local offices. We also want to ensure that you receive accurate and courteous service. That is why we have a second Social Security representative monitor some incoming and outgoing telephone calls.



Social Security Administration
SSA Publication No. 05-10072
January 2000 (*Recycle prior editions*)
ICN 467510
Unit of Issue - HD (one hundred)



Printed on recycled paper